

Draft 2007 LIHEAP Contract
- Agency Comments and CSD Responses -

	EXHIBIT	COMMENT	CSD RESPONSE
1	EXHIBIT B, page B8, Section C. 1)	Agency requested flexibility to utilize a "contractor equivalent" form in place of the Weatherization Building Assessment and Job Order Checklist (CSD Form 540).	The Department has approved this request and the contract was updated accordingly.
2	EXHIBIT B, page B10, Section d.vi.	Agency requested clarification to the following provision: "Reimbursement for diagnostic testing for work performed under ECIP HCS shall be included in the appliance repair or replacement line item for which the testing was performed." Additionally, the agency requested further clarification as to the treatment of diagnostic testing for reporting and reimbursement purposes.	Current ECIP HCS reporting and reimbursement policies do not require the separation of costs between diagnostic inspections and the costs for repair and replacement. Instead, Agencies are to report the combined cost totals for diagnostic inspections, repair, and replacements under the labor and material reimbursements by appliance type.
3	EXHIBIT B, page B16, Section D.	Agency expressed concern that the acronyms ECIS and ECIP were used interchangeably throughout the contract.	<p>In efforts to alleviate confusion, the Department changed Emergency Crisis Intervention Services (ECIS) to Severe Weather Energy Assistance and Transportation Services (SWEATS). The policy and procedures previously issued under ECIS will be updated accordingly to reflect the program component name change and will be available via the Department's website.</p> <p>As you may recall, SWEATS (formerly ECIS) designed to mitigate life-threatening conditions directly attributed to exposure to extreme hot or cold indoor air temperatures caused by a severe weather emergency or other crisis or bona fide emergency by availing such services as: transportation to cooling centers or hotels, the loaning of temporary and portable heating, cooling, and the loaning of power generating devices or appliances until such time when the emergency or crisis ends and/or more permanent weatherization measures can be repaired or installed by the Agency, whichever occurs first.</p>
4	EXHIBIT B, page B16, Section D. 2)	Two comments were received pertaining to: 1) the vagueness of the provision..."One travel credit per household is allowed for the delivery of the portable heating/cooling units and/or generators....," and 2) the provision did not address the "pick-up" of portable heating and cooling units.	The Department further defined within the contract the term "one travel credit" to mean "one round trip travel surcharge."

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5	EXHIBIT D, page D3. Section 5.	Agency requested clarification and rationale for the licensing requirements under "Special Licensing - Weatherization" contract provisions.	<p>The licensing requirements in question is not new language, but rather language that previously existed under "Footnote 8" within Exhibit E of the 2006 LIHEAP Contract. The Department further clarified the contractual licensing language under Exhibit D by combining the language in both Section 5 - "Contractor Licensing" and Section 6 "Special Licensing - Weatherization." Additionally, the restriction requiring special licensing when two or more weatherization measures are not installed in a unit was removed in it's entirety.</p> <p>The modified language reads: "Contractor shall possess all applicable licenses as required by the CSLB to carryout the installation and/or repairs of Central HVAC systems, Furnace, and Boilers. Special licensing may also be required for the installation and/or repair of Evaporative Cooler, Oven and Range, Vented Space Heater, Gas and Electric Water Heaters, and electrical wiring upgrades and/or replacements."</p>
6	EXHIBIT E, page E6. Section 8. B.	Agency expressed concern regarding the Department's "Right to monitor all books, document, papers, and records."	The Department reserves the right to monitor and access LIHEAP records in accordance with applicable laws, regulations and OMB requirements. However, the department recognizes that the right to monitor and access should be limited to all reasonable information necessary to substantiate that expenditures under this agreement are allowable and allocable, including but not limited to books, documents, papers, and records. The Department updated the contractual language accordingly.
7	EXHIBIT F, page F3. Section 3. B. 2)	Agency requested: 1) clarification to Section 2 of Capacity and Responsibility to Provide Emergency Assistance which states "Contractor agrees to provide all reasonable information to enable CSD to assess the contractor's current energy crisis intervention program," and 2) whether this was different from the current ECIP Priority Plan process.	Yes, this is in addition to the LIHEAP Local Funding Proposal and the Priority Plan Process. To further clarify, the Department in its ongoing evaluation of the program, may as needed, request information from Agencies (via e-mail, telephone, correspondence, surveys, etc.) when an actual energy heating and/or cooling disaster occurs and to enable CSD to more effectively evaluate the program to either improve, coordinate or enhance the effectiveness of the ECIP program.
8	EXHIBIT F, page F5. Section E. and page 24. Section 10. K.	Agency asked what allowance if any would be provided for ECIP/Fast Track services during the summer months when temperatures could reach dangerous levels.	Consistent with past practices to mitigate the impacts of seasonal/weather related emergencies and sudden unexpected changes within the utility market, the department will consider extending flexibilities to include: benefit level modifications, modifications to assistance limit restrictions, and budget modifications.

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9	EXHIBIT F, page F6. Section 4) b.	Agency requested clarification on contract provisions pertinent to defining "low energy burden" and thresholds excluding services under Agency evaluations of service priority as this information is pre-determined through the LIHEAP Local Plan and the Priority Planning process.	The Department agreed and has deleted the draft language. The contractual language returned to its original state which reads: "Contractors are discouraged from providing energy assistance benefits to households with an energy burden of less than five percent (5%)."
10	EXHIBIT F, page F6. Section F. 4. A.	Agency requested the rationale for providing ECIP/Fast Track services from January through March 15, 2007.	Energy crisis services are federally mandated from January through March 15 of each calendar year.
11	EXHIBIT F, page F14. Section 10. A. 2)	Agency indicated that the Program Standards as listed under the Weatherization and ECIP Activity Guidelines contradicts the policies between the WIS Manual and the LIHEAP Contract.	The department agreed and has modified the language to read; "In the event of disagreement between policies and field protocols contained within the Weatherization Installation Standard Manual, the Weatherization Policies and Procedures Manual, and this agreement, then Contractor shall abide by the terms of this agreement."
12	EXHIBIT F, page F18. Section 10), b.	Agency expressed concern with the prohibition from weatherizing master-metered dwellings unless direct savings to individual tenants can be documented.	<p>The department modified the language to read: "Contractor shall not weatherize any dwelling under this agreement, unless the property-owner agrees to all the terms and conditions of the Weatherization Service Agreement, CSD 540."</p> <p>The form Weatherization Service Agreement, CSD 540, is currently undergoing revisions to include all applicable tenant protections and owner responsibilities, which will include the specific requirement for property owners to pass on the energy-savings (resulting from weatherization services) to master-metered tenants. It is anticipated that the revised form CSD 540 will be released to the network by mid January 2007.</p>
13	EXHIBIT F, page F24. Section K. 1)	Agency submitted the following objection with regard to the practice of providing a portable heating appliance to a customer and taking it back again rather than leaving it with the customer. By leaving the portable heating appliance would enable the customer to heat one room instead of heating the whole house and save on energy when their main heating system is repaired or replaced.	The intent of the SWEATS policy is to facilitate and encourage an immediate response to those low-income clients at-risk to exposure to extreme indoor air temperatures. Such emergency services are to be viewed as temporary or interim measures only, and are not intended to serve as a permanent solution to serving the long-term heating/cooling need of low-income households beyond the present emergency or crisis.
14	EXHIBIT F, page F24. Section K. 3).	Agency requested definition for "summer months" when transporting clients to cooling centers or hotels.	The Department is unable to establish a singular definition for "summer season" or "summer seasons" due to the regional differences in climate zones. Therefore, the Department has modified the language to read: "Transportation to cooling centers or hotels is only allowable during a weather-related emergency or when a energy crisis occurs."

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15	EXHIBIT G, page G3	Multiple agencies expressed concern with the "emergency" portion of the contract.	The Department modified the definition of emergency by rescinding the incorporated definition of emergency used by the State Contracting Manual. Further refinement of the emergency definition and other related language has been tabled for future discussion and vetting by the Weatherization Task Force.
16	EXHIBIT G, page G5	Agency requested clarification on the definitions for "High Residential Energy User" and "Household with High Energy Burden," and specifically where additional information could be obtained on "median level."	<p>"High Residential Energy User" and "Household with High Energy Burden" are terms which apply to DOE program and are defined at Title 10: Energy PART 440 — WEATHERIZATION ASSISTANCE FOR LOW-INCOME PERSONS, § 440.3 Definitions and are listed under § 440.1 Purpose and Scope.</p> <p>The Department has reviewed both definitions and determined that in the absence of defining both the median level and the criteria for defining high energy burden the use of these terms shall be deleted from the draft LIHEAP contract. The Department retained the definition provided under "Highest Home Energy Needs," which is defined in the LIHEAP Statute, as Amended Through August 1, 1999, under Section 2603.</p>
17		Agency commented that several "forms/templates" referred to in the contract do not have form numbers (CSD Hazardous Correction Work Plan (HCWP), CSD Weatherization deferral Form, Scope of Work, etc.). In addition, Agency asked whether these forms/templates would be distributed to the network with the contract or whether they will be provided on the website.	The Department is in the process of: 1) re-designing the CSD website to include a tab section dedicated to all CSD Energy related forms; 2) reviewing all forms to identify any outdated references within the LIHEAP Contract to forms no longer in use; and 3) insure that all required forms listed in the LIHEAP contract are made available on the CSD website. The Department anticipates that this process will be completed by mid January 2007.
	EXHIBIT	CSD INITIATED CHANGES	
18	EXHIBIT B, page B8, Section 4.C. 3)	<p>Maximum Average Reimbursement Rates - Increase</p> <p>Maximum Average Reimbursement Rate - HCS</p>	<p>In accordance with DOE rates, the Department updated the maximum average reimbursement rate from \$2,826 to \$2,885, and in the event of an emergency from \$3,250 to \$3,318.</p> <p>In the past, the contract imposed the maximum average reimbursement limit of \$4,316 for combined services including the repair or replacement of heating/cooling units delivered under emergency HCS services and weatherization services. The reimbursement limit of \$4316 was removed to provide greater flexibility in leveraging services between ECIP HCS and LIHEAP Weatherization.</p>
19	EXHIBIT B, ATTACHMENT V	Reimbursement Rates - Increase	The Department evaluated the reimbursement levels for heating/cooling appliance repair and replacements and increased reimbursement limits for all types of Air Conditioning System Repairs/Replacements.